(2) CLOSURE OF COMMONWEALTH TILE FACTORY, KODAKKAL.

MR. SPEAKER :—" The hon. Member Sri K. P. Gopalan has given notice of the following adjournment motion :—

' This Assembly stands adjourned to discuss an urgent matter of public importance, namely, the failure of the Government to intervene in the labour dispute between the management of Commonwealth Tile Factory, Kodakkal, South Malabar, and workers regarding the closure of the factory and retrenchment notice given to the workers without giving any benefits due to them resulting in satyagraha by 132 workers since 1st May 1954 in the factory, which causes anxiety to public.'

First, let me hear the hon. Member."

SRI K. P. GOPALAN :—" So far as this factory is concerned, I want to submit to the Hon. Speaker a piece of information. Last year there was a closure of the factory."

MR. SPEAKER :—" The closure took place last year? "

* SRI K. P. GOPALAN :—" Yes, Sir. But now closure took place on 1st May 1954. The Labour Officer of Malabar recommended to the management not to close the factory. But the management did not care for that recommendation. Last year's closure also was in violation of the Industrial Disputes Act. The management did not care for the laws of the country. So far as the present closure is concerned, if a factory is closed, the management must definitely define whether the closure is a temporary closure or permanent closure and give lay-off wages to the workers. The management did not do that. Moreover, the closure is effected definitely to defeat the purpose of the Industrial Disputes (Amendment) Act passed by the Central Government."

MR. SPEAKER :—" Let not the hon. Member go into details. Let him explain how it is a matter of such urgent public importance that I should suspend all other work and allot two hours for discussing it."

SRI K. P. GOPALAN :—" Public importance lies in the fact that 132 workers are now doing satyagraha before and inside the factory."

MR. SPEAKER :—" The hon. Member said that the closure took place last year."

SRI K. P. GOPALAN :—" I wanted to remind you, Sir, of a similar closure last year to show that the European management did not care for the labour laws of the country. I only quoted it as an example to prove that only Government intervention could prevent closure."

MR. SPEAKER :—" Is there no other way of remedying the grievance and is it necessary that I should allot two hours for discussing the matter, leaving aside all other business? "

10th May 1954]

* SRI K. P. GOPALAN :—" I will explain that, Sir. Under the existing laws of the country, the management of a factory has to give notice of closure before the factory is closed. But what the management generally does is to give notice after the closure. Only after the closure, the Government come into the picture. During closure, the workers lose their job and they will have to go in for adjudication which sometimes takes several years. What I request is that before a factory is closed, the Government should examine whether the intended closure is *mala fide* or *bona fide*, come to a conclusion, act boldly and tell the management that it should not close the factory pending their examination of the whole question."

MR. SPEAKER :—" Is it laid down in the Trade Disputes Act that Government should intervene? I wish to know whether the Government have neglected their duty."

SRI K. P. GOPALAN :—" Yes, Sir.

" I want to submit to the House that the Government should examine the dispute and ask the management not to close the factory pending their examination of the dispute. The closure was effected intentionally to defeat the Industrial Disputes (Amendment) Act and to take away the workers' rights and to suppress them. I beg to submit that the management of this factory never care for the laws of the country. Even before the Appellate Tribunal, they never cared to submit the reports and accounts relating to the factory. Unless action is taken at the Governmental level, this European management will not respect the laws of the country. One hundred and thirty-two families are affected and they are starving. Only Governmental action can prevent the management from closing the factory. That is why I have brought forward this adjournment motion, Sir."

* **SRI M. KALYANASUNDRAM** :—" கனம் சபாநாயகர் அவர்களே, இந்த மாதிரியாக தொழில் சர்ச்சை ஏற்பட்டிருக்கிறது என்பதாக சர்க்காரின் கவனத்திற்கு வந்தவுடனேயே . . . . ."

MR. SPEAKER :—" எப்பொழுது சர்க்காரின் கவனத்திற்கு வந்தது ? "

SRI K. P. GOPALAN :—" As soon as the retrenchment notice was given."

MR. SPEAKER :—" When was it given? "

* SRI K. P. GOPALAN :—" Two months back, the retrenchment notice was given. As soon as it was given, the Labour Officer and the Government were informed about the closure of the factory. Now the factory is closed on 1st May 1954."

MR. SPEAKER :—" From what the hon. Member himself says, I learn that the matter has been there for a very long time. It did not take place yesterday or day before yesterday."

SRI K. C. GOPALAN UNNI :—" The factory was closed only from the 1st of this month."

MR. SPEAKER :—" How are the Government responsible for it? "

[10th May 1954

SRI M. KALYANASUNDRAM :—" The Government have failed to intervene at the proper time."

* THE HON. SRI M. BHAKTAVATSALAM :—" Sir, I would like to submit that this is not an appropriate matter for an adjournment motion. As suggested by the Hon. the Leader of the House, if the hon. Member had put a short notice question, I could have answered it and stated the position. You will, however, permit me, Sir, to state the position so far as the Government are concerned. This management gave notice on 31st March 1954 to the workers intimating them that the factory would be closed with effect from 30th April 1954. The main reasons adduced by them for the closure were the lack of orders for Kodakkal tiles, accumulation of stock and the running of the factory at a loss for the last three years. The figures show that for the year ending 30th September 1951 the loss was Rs. 49,308–8–1, for the year ending 30th September 1952 it was Rs. 91,916–14–8 and for the year ending 30th September 1953 it was Rs. 88,550–14–2. The Labour Department had not been sleeping over this matter. They did inquire into the matter. Their view is that the factory had been closed for *bona fide* trade reasons. If a factory is to be closed for *bona fide* reasons, I do not think it will come within the purview of the Industrial Disputes Act and that is the High Court's ruling, if I remember aright. But the Labour Officer intervened and discussed with the management and the workers. The management has agreed that the workers will be paid all the benefits to which they are entitled such as the Provident Fund and Benefit Fund facilities, leave wages, etc., in addition to the retrenchment compensation according to the Industrial Disputes (Amendment) Act, 1953. So, the workers have been asked to file their claim petitions. Meanwhile, the management has stated that the company's balance sheet and the statement of income and expenditure have not been finalized and that when these are finalised, the demand could be met and payment made. Therefore, the Government see no reason and no justification for the workers to resort to satyagraha on this matter. This is the position at present. Therefore, I would like to oppose the adjournment motion."

* SRI M. NARAYANA KURUP :—" The Hon. Minister said that the closure took place, because the concern was running at a loss and that the Government could not intervene. Now, the High Court judgment says that it is a matter for the Tribunal to inquire into whether the closure is for *bona fide* reasons. In this case, it is our contention that the factory has been closed in order to deprive the workers of the benefits of service conditions, Provident Fund Regulations and other amenities. Therefore, it is too early to conclude that the factory has been closed for *bona fide* reasons and that, therefore, the Industrial Tribunal has no jurisdiction over the matter."

* SRI K. P. GOPALAN :—" As regards this European factory, when a similar question came up before the Appellate Tribunal, it was decided that on the question of wages and bonus, the profit of the whole concern, that is, of the various Commonwealth Factories

10th May 1954] [Sri K. P. Gopalan]

in Malabar, must be taken into account. That was the view point expressed by the Appellate Tribunal. So, that question does not arise now. According to the Industrial Disputes Act, whenever there is a permanent retrenchment, the management should compulsorily pay all the dues, wages and other benefits to the workers."

Mr. SPEAKER :—" Is there no other remedy for this? Is the House a forum for this purpose? I wish to know if the Industrial Disputes Act does not provide any remedy if the benefits are not given to the workers."

Sri K. P. GOPALAN :—" The workers can go to the Industrial Court or the Industrial Tribunal. But it will take years . . ."

Mr. SPEAKER :—" But that does not mean that I should allow this adjournment motion. I should follow certain rules."

* Sri M. KALYANASUNDRAM :—" The Labour Department have not exercised their discretion judiciously. They are so simple-minded that they believe the story of the management and declare that it is a *bona fide* closure. I say it is a *mala fide* closure. If we wait for another two months, we will see that the same factory is reopened with less number of workers and lesser wages. This is a manoeuvre to force retrenchment and wage-cut on the workers. I request the Labour Minister not to be so simple-minded as to be deceived by this management."

* The Hon. Sri M. BHAKTAVATSALAM :—" I wish to tell the hon. the Deputy Leader of the Opposition that neither I nor the Labour Department is so innocent as he imagines. The Labour Department has not been supporting the management invariably. Hon. Members on the opposite side must know that if at all there is any bias, it is in favour of the workers."

Mr. SPEAKER :—" I have heard both sides—the hon. the Deputy Leader of the Opposition, the hon. Member who has given notice of the adjournment motion and the Government. It appears that the notice of retrenchment was served on the workers on 31st March 1954. The matter has been there for a long time. It is not a new thing that has occurred yesterday. Apart from that, we have nothing to do with the satyagraha of the workers. If the benefits are not given, there is a remedy. They can go to the court and seek remedy. So, I rule this motion out of order."

PROGRAMME OF THE HOUSE.

Sri S. RAMALINGAM :—" On a point of information
இந்தச் சபை எத்தனை நாளைக்கு நடக்குமென்று பல அங்கத்தினர்கள் அறிய விரும்புகிறார்கள். அத்தோடு தாங்கள் நாளை முதல் ஒரு நாளைக்கு 40 கேள்விகள் அனுமதிக்கப் போவதாகச் சொன்னீர்கள். சபை எத்தனை நாள் நடக்குமென்று தெரிந்தால் அதற்குத் தக்கவாறு நீங்கள் கேள்விகளை சரியாகப் பிரித்து சபையில் வைக்கமுடியும். ஆகவே சர்க்கார் கட்சித் தலைவரை எத்தனை நாட்கள் சபை நடக்குமென்று தெரிவிக்கக்கோருகிறேன்." 9-15 a.m.